

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1120

To provide for the consolidation of Federal employment assistance programs, to provide increased notice of the availability of the earned income tax credit, and to repeal the temporary FUTA surtax.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 2, 1995

Mr. ZELIFF (for himself, Mr. KASICH, Mr. MICA, Mr. MCCOLLUM, Mr. SHAYS, Mr. ZIMMER, Mr. INGLIS of South Carolina, Mr. GILCHREST, Mr. HOKE, Mr. RAMSTAD, Mr. TALENT, Mr. COX of California, Mr. SOLOMON, Mr. SMITH of Michigan, Mr. HANCOCK, Mr. BLUTE, Mr. HERGER, Mr. BASS, Mr. DOOLITTLE, Mr. BURR, Mr. JONES, Mr. FUNDERBURK, Mr. RADANOVICH, Mr. DORNAN, Mrs. SEASTRAND, and Mr. STEARNS) introduced the following bill; which was referred to the Committee on Economic and Educational Opportunities, and in addition to the Committees on Ways and Means, Agriculture, and Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

MARCH 30, 1995

Additional sponsors: Mr. HEINEMAN, Mr. HOBSON, Ms. MOLINARI, Mr. LIVINGSTON, Mr. SAXTON, Mr. BURTON of Indiana, Mr. BARTLETT of Maryland, Ms. PRYCE, and Mrs. MYRICK

Deleted sponsor: Mr. STEARNS (added March 2, 1995; deleted March 9, 1995)

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## A BILL

To provide for the consolidation of Federal employment assistance programs, to provide increased notice of the availability of the earned income tax credit, and to repeal the temporary FUTA surtax.

(a) SHORT TITLE.—This Act may be cited as the  
“Employment Enhancement Reform Act”.

Sec. 1. Short title; table of contents.

## Subtitle A—Block Grants to States

- ## CHAPTER 1—CONSOLIDATION OF PROGRAMS

- ## CHAPTER 2—REPEAL OF PROGRAMS

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- Sec. 128. Service Members Occupational Conversion and Training Act of 1992.
- Sec. 129. Adult education programs.
- Sec. 130. Vocational education programs.
- Sec. 131. National literacy programs.
- Sec. 132. Indian employment, training and related services demonstration program.
- Sec. 133. Special provisions relating to Indian tribes.
- Sec. 134. Literacy corps.
- Sec. 135. Miscellaneous repealers.

#### Subtitle C—Effective Dates

- Sec. 141. Effective dates.

#### TITLE II—NOTICE OF AVAILABILITY OF EARNED INCOME CREDIT

- Sec. 201. Notice of availability required to be provided to applicants and former recipients of AFDC, food stamps, and medicaid.
- Sec. 202. Notice of availability of earned income tax credit and dependent care tax credit to be included on W-4 form.

#### TITLE III—REPEAL OF TEMPORARY FUTA SURTAX

- Sec. 301. Repeal of temporary FUTA surtax.

## **1 TITLE I—CONSOLIDATION OF 2 FEDERAL EMPLOYMENT AS- 3 SISTANCE PROGRAMS**

### **4 Subtitle A—Block Grants to States**

#### **5 SEC. 101. STATEMENT OF PURPOSE.**

6 It is the purpose of this subtitle to establish a block  
7 grant program to prepare individuals for employment in  
8 the labor force by increasing their occupational and edu-  
9 cational skills, resulting in improved long-term employ-  
10 ability, increased employment and earnings, and reduced  
11 welfare dependency.

#### **12 SEC. 102. AUTHORIZATION.**

13 (a) GRANTS TO STATES.—The Secretary of Labor  
14 may provide grants to States for the purpose of providing

1 employment assistance to eligible individuals in such  
2 States in accordance with this subtitle.

3 (b) GRANTS TO INDIAN TRIBES AND MIGRANT AND  
4 SEASONAL FARMWORKER ORGANIZATIONS.—Not more  
5 than 5 percent of the amount appropriated to carry out  
6 this subtitle for a fiscal year may be used by the Secretary  
7 to provide grants to Indian tribes and migrant and sea-  
8 sonal farmworker organizations for the purpose of provid-  
9 ing employment assistance to Native Americans and mi-  
10 grant and seasonal farmworkers in accordance with this  
11 subtitle.

12 (c) PERIOD OF GRANTS.—A grant received under  
13 subsection (a) or (b), as the case may be, may extend for  
14 a period of not more than 5 fiscal years. The payments  
15 under such grant shall be subject to annual approval of  
16 the Secretary and the availability of appropriations for  
17 each fiscal year.

18 **SEC. 103. ALLOCATION.**

19 In providing grants to States under section 102 for  
20 a fiscal year, the Secretary shall, to the extent practicable,  
21 allocate the amount appropriated for such fiscal year as  
22 follows:

23 (1)  $33\frac{1}{3}$  percent shall be allocated on the basis  
24 of the relative number of unemployed individuals re-  
25 siding in areas of substantial unemployment within

1 each State as compared to the total number of such  
2 unemployed individuals in all such areas of substan-  
3 tial unemployment in all States.

4 (2)  $33\frac{1}{3}$  percent shall be allocated on the basis  
5 of the relative excess number of unemployed individ-  
6 uals within each State as compared to the total ex-  
7 cess number of unemployed individuals in all States.

8 (3)  $33\frac{1}{3}$  percent shall be allocated on the basis  
9 of the relative number of economically disadvantaged  
10 adults within each State as compared to the total  
11 number of economically disadvantaged adults in all  
12 States.

13 **SEC. 104. APPLICATION.**

14 The Secretary may provide a grant to a State under  
15 section 102 only if such State submits to the Secretary  
16 an application which contains such information as the Sec-  
17 retary may reasonably require, including a description of  
18 the program to be established by the State under section  
19 105.

20 **SEC. 105. USE OF AMOUNTS.**

21 (a) ESTABLISHMENT OF EMPLOYMENT ASSISTANCE  
22 PROGRAM.—

23 (1) IN GENERAL.—The Secretary may provide a  
24 grant to a State under section 102 only if such  
25 State agrees that it will use all amounts received

1 from such grant to establish a program to provide  
2 employment assistance to eligible individuals de-  
3 scribed in paragraph (2).

4 (2) ELIGIBLE INDIVIDUALS.—An individual  
5 shall be eligible to receive employment assistance  
6 under the program if such individual—

7 (A) has attained the age of 14 and is eco-  
8 nomically disadvantaged;

9 (B)(i) has been terminated or laid off or  
10 who has received a notice of termination or lay-  
11 off from employment, is eligible for or has ex-  
12 hausted entitlement to unemployment com-  
13 pensation, and is unlikely to return to the indi-  
14 vidual's previous industry or occupation;

15 (ii) has been terminated, has received no-  
16 tice of termination, or has reason to believe that  
17 such individual will be terminated or receive no-  
18 tice of termination or lay off from employment,  
19 as a result of any permanent closure of or any  
20 substantial layoff at a plant, facility, or enter-  
21 prise; or

22 (iii) was self-employed (including farmers  
23 and ranchers) and is unemployed as a result of  
24 general economic conditions in the community  
25 in which the individual resides or because of

1 natural disasters, subject to regulations pre-  
2 scribed by the Secretary;

3 (C) is an individual with a disability;

4 (D) is a member of the Armed Forces who  
5 is being separated under other than adverse  
6 conditions;

7 (E) is a veteran who is unemployed; or

8 (F) is a displaced homemaker.

9 (b) CONDUCT OF PROGRAM.—In carrying out the  
10 program described in subsection (a), the State shall meet  
11 the following requirements:

12 (1)(A) The State shall ensure the profiling and  
13 evaluation of eligible individuals for the purpose of  
14 determining the amount of employment assistance  
15 services, including, subject to subparagraph (B), the  
16 amount of supportive services, if appropriate, to be  
17 provided to such individuals. In profiling and evalu-  
18 ating such individuals, the State shall classify indi-  
19 viduals in 1 of the following 3 categories:

20 (i) Job-ready and in need of placement  
21 services.

22 (ii) Job-ready and in need of remedial  
23 skills enhancement.

24 (iii) Non-job-ready and in need of remedial  
25 education.

1           (B) The State shall ensure that eligible individ-  
2           uals receive information relating to the provision of  
3           supportive services from sources other than under  
4           this Act for the purpose of participating in the pro-  
5           gram under this Act.

6           (2) The State shall provide appropriate employ-  
7           ment assistance services to eligible individuals based  
8           upon the classification of the individual in the cat-  
9           egories described in clauses (i) through (iii) of para-  
10          graph (1)(A). Such assistance may not be used to  
11          provide stipends or direct payments to individuals  
12          for participation in the program, including payments  
13          for supportive services, except that such assistance  
14          may include payments for transportation costs,  
15          based on need, of such individuals for participation  
16          in the program.

17          (3) The State shall monitor the rate at which  
18          individuals in the program successfully obtain em-  
19          ployment after separation from the program in ac-  
20          cordance with the following criteria:

21                (A) With respect to individuals classified in  
22                the category described in paragraph (1)(A)(i),  
23                employment for a period of not less than 6  
24                months under which—



1 (i) the individual works an average of  
2 at least 35 hours per week; and

3 (ii) the individual receives wages equal  
4 to not less than 65 percent of the average  
5 wages received for employment during the  
6 2-year period ending on the date of enroll-  
7 ment in the program.

8 (B) With respect to individuals classified  
9 in the category described in paragraph  
10 (1)(A)(ii)—

11 (i) demonstration of proficiency of  
12 those skill areas of the individual assessed  
13 as deficient; and

14 (ii) employment for a period of not  
15 less than 6 months in accordance with the  
16 requirements described in subparagraph  
17 (A).

18 (C) With respect to individuals classified in  
19 the category described in paragraph  
20 (1)(A)(iii)—

21 (i) demonstration of proficiency in  
22 education and skills commensurate with a  
23 high school degree; and

24 (ii) employment for a period of not  
25 less than 6 months in accordance with the

1 requirements described in subparagraph  
2 (A).

3 (4) The State shall, to the extent practicable,  
4 establish one-stop-shop centers throughout the State  
5 at which eligible individuals are provided information  
6 on the various types of employment assistance serv-  
7 ices available under the program and at which such  
8 individuals are profiled and evaluated in accordance  
9 with paragraph (1)(A).

10 (c) DISCRETIONARY ACTIVITIES.—In carrying out  
11 the program described in subsection (a), the State may  
12 carry out the following activities:

13 (1) The State may allow eligible individuals to  
14 participate in education and job search activities for  
15 non-traditional employment.

16 (2) The State may establish a State employ-  
17 ment coordinating council (or designate a similar ex-  
18 isting council) which will—

19 (A) study the emerging economic and em-  
20 ployment trends, job creation opportunities, and  
21 other employment and job training needs of in-  
22 dividuals in the State;

23 (B) based upon the study conducted under  
24 subparagraph (A), propose additional appro-

1           priate activities to be carried out under the pro-  
2           gram; and

3           (C) report the results of the study con-  
4           ducted under subparagraph (A) and the pro-  
5           posed additional appropriate activities under  
6           subparagraph (B) to—

7                   (i) the State agency responsible for  
8                   carrying out the program;

9                   (ii) the Governor; and

10                  (iii) the State legislature.

11 **SEC. 106. REPORTS.**

12       (a) REPORT TO THE SECRETARY.—Not later than 1  
13 year after the date on which a State receives amounts  
14 from a grant under section 102, and in each subsequent  
15 fiscal year in which the State receives amounts from such  
16 grant, the State shall submit to the Secretary a report  
17 containing—

18           (1) the total number of individuals who applied  
19           for participation in the program in the fiscal year;

20           (2) the total number of individuals enrolled in  
21           the program in the fiscal year and the total number  
22           of individuals who have re-enrolled in the program  
23           for such fiscal year;

24           (3) the period of time spent in the program by  
25           individuals who have separated from the program

1 and the rate at which such individuals successfully  
2 obtained employment after such separation in ac-  
3 cordance with the criteria described in subpara-  
4 graphs (A) through (C) of section 105(b)(3); and

5 (4) any other appropriate information requested  
6 by the Secretary.

7 (b) REPORT TO CONGRESS.—The Secretary shall an-  
8 nually submit to the Congress a report containing—

9 (1) a compilation of the information contained  
10 in the reports received by the Secretary under sub-  
11 section (a); and

12 (2) an evaluation of the block grant program  
13 under this subtitle.

14 **SEC. 107. REDUCTION OR TERMINATION OF PAYMENTS**  
15 **UNDER GRANT.**

16 (a) DETERMINATION OF SUCCESS IN PLACING INDIV-  
17 IDUALS IN EMPLOYMENT.—

18 (1) IN GENERAL.—The Secretary shall deter-  
19 mine, based upon the information contained in the  
20 reports submitted by a State under section 106(a),  
21 whether or not the State has been successful in plac-  
22 ing individuals in employment during each 2-year  
23 period under the program.

24 (2) CRITERIA.—In making a determination  
25 under paragraph (1), the Secretary shall take into

1 consideration appropriate criteria, including the gen-  
2 eral economic conditions of the State during the 2-  
3 year period referred to in such paragraph.

4 (b) REDUCTION OR TERMINATION OF PAYMENTS.—

5 If the Secretary determines under subsection (a) that a  
6 State has not been successful in placing individuals in em-  
7 ployment during any 2-year period under the program, the  
8 Secretary may—

9 (1) reduce the amount of payments under the  
10 grant to such State for subsequent fiscal years; or

11 (2) terminate payments under the grant to such  
12 State.

13 (c) CONTINUATION OF PAYMENTS.—The Secretary  
14 may reinstate payments or increase payments under a  
15 grant with respect to a State that the Secretary has deter-  
16 mined under subsection (a) has not been successful in  
17 placing individuals in employment in accordance with sub-  
18 section (b), if the Secretary subsequently determines that  
19 such State has implemented appropriate modifications to  
20 the program.

21 **SEC. 108. DEFINITIONS.**

22 For the purposes of this subtitle, the following defini-  
23 tions apply:

24 (1) AREA OF SUBSTANTIAL UNEMPLOYMENT.—

25 The term “area of substantial unemployment”

1 means any area which has an average rate of unem-  
2 ployment of at least 6.5 percent for the most recent  
3 twelve months as determined by the Secretary. De-  
4 terminations of areas of substantial unemployment  
5 shall be made once each fiscal year.

6 (2) ECONOMICALLY DISADVANTAGED.—The  
7 term “economically disadvantaged” means an indi-  
8 vidual who—

9 (A) receives, or is a member of a family  
10 which receives, cash welfare payments under a  
11 Federal, State, or local welfare program;

12 (B) has, or is a member of a family which  
13 has, received a total family income for the six-  
14 month period prior to application for the pro-  
15 gram involved (exclusive of unemployment com-  
16 pensation, child support payments, and welfare  
17 payments) which, in relation to family size, was  
18 not in excess of the higher of—

19 (i) the official poverty line (as defined  
20 by the Office of Management and Budget,  
21 and revised annually in accordance with  
22 section 673(2) of the Omnibus Budget  
23 Reconciliation Act of 1981 (42 U.S.C.  
24 9902(2)); or

1 (ii) 70 percent of the lower living  
2 standard income level;

3 (C) is receiving (or has been determined  
4 within the 6-month period prior to the applica-  
5 tion for the program involved to be eligible to  
6 receive) food stamps pursuant to the Food  
7 Stamp Act of 1977;

8 (D) qualifies as a homeless individual  
9 under subsections (a) and (c) of section 103 of  
10 the Stewart B. McKinney Homeless Assistance  
11 Act;

12 (E) is a foster child on behalf of whom  
13 State or local government payments are made;

14 (F) in cases permitted by regulations of  
15 the Secretary, is an individual with a disability  
16 whose own income meets the requirements of  
17 subparagraph (A) or (B), but who is a member  
18 of a family whose income does not meet such  
19 requirements; or

20 (G) is an individual meeting appropriate  
21 criteria approved by the State.

22 (3) INDIVIDUAL WITH A DISABILITY.—The term  
23 “individual with a disability” means an individual  
24 who has a physical or mental disability which for

1       such individual constitutes or results in a substantial  
2       handicap to employment.

3           (4) LOW-INCOME LEVEL.—The term “low-in-  
4       come level” means \$7,000 with respect to income in  
5       1969, and for any later year means that amount  
6       which bears the same relationship to \$7,000 as the  
7       Consumer Price Index for that year bears to the  
8       Consumer Price Index for 1969, rounded to the  
9       nearest \$1,000.

10          (5) SECRETARY.—The term “Secretary” means  
11       the Secretary of Labor.

12          (6) STATE.—The term “State” means each of  
13       the several States, the District of Columbia, the  
14       Commonwealth of Puerto Rico, the Commonwealth  
15       of the Northern Mariana Islands, American Samoa,  
16       Guam, the Virgin Islands, the Federated States of  
17       Micronesia, the Republic of the Marshall Islands,  
18       and the Republic of Palau.

19          (7) UNEMPLOYED INDIVIDUALS.—The term  
20       “unemployed individuals” means individuals who are  
21       without jobs and who want and are available for  
22       work. The determination of whether individuals are  
23       without jobs shall be made in accordance with the  
24       criteria used by the Bureau of Labor Statistics of



1 the Department of Labor in defining individuals as  
2 unemployed.

3 (8) VETERAN.—The term “veteran” means an  
4 individual who served in the active military, naval, or  
5 air service, and who was discharged or released  
6 therefrom under conditions other than dishonorable.

7 (9) VOCATIONAL EDUCATION.—The term “vo-  
8 cational education” means organized educational  
9 programs offering a sequence of courses which are  
10 directly related to the preparation of individuals in  
11 paid or unpaid employment in current or emerging  
12 occupations requiring other than a baccalaureate or  
13 advanced degree. Such programs shall include com-  
14 petency-based applied learning which contributes to  
15 an individual’s academic knowledge, higher-order  
16 reasoning, and problem-solving skills, work attitudes,  
17 general employability skills, and the occupational-  
18 specific skills necessary for economic independence  
19 as a productive and contributing member of society.  
20 Such term also includes applied technology edu-  
21 cation.

22 (10) DISPLACED HOME MAKER.—The term “dis-  
23 placed homemaker” means an individual who has  
24 been providing unpaid services to family members in  
25 the home and who—

1 (A) has been dependent either—

2 (i) on public assistance and whose  
3 youngest child is within 2 years of losing  
4 eligibility under part A of title IV of the  
5 Social Security Act (42 U.S.C. 601 et  
6 seq.); or

7 (ii) on the income of another family  
8 member but is no longer supported by that  
9 income; and

10 (B) is unemployed or underemployed and is  
11 experiencing difficulty in obtaining or upgrad-  
12 ing employment.

13 (11) NONTRADITIONAL EMPLOYMENT.—The  
14 term “nontraditional employment” means occupa-  
15 tions or fields of work where women or men, as the  
16 case may be, comprise less than 25 percent of the  
17 individuals employed in such occupation or field of  
18 work.

19 **SEC. 109. TRANSFER OF FUNDS.**

20 Notwithstanding any other provision of law, any  
21 amounts appropriated to carry out any provision of law  
22 specified in chapter 2 of subtitle B which are not obligated  
23 or expended on or after the end of the first fiscal year  
24 beginning after the date of the enactment of this subtitle  
25 shall be made available to carry out this subtitle.

1 **SEC. 110. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) IN GENERAL.—There are authorized to be appro-  
3 priated to carry out this subtitle \$8,000,000,000 for each  
4 of the fiscal years 1997 through 2001.

5 (b) AVAILABILITY.—Amounts appropriated pursuant  
6 to the authorization of appropriations in subsection (a) are  
7 authorized to remain available until expended.

8 **Subtitle B—Consolidation and Re-**  
9 **peal of Certain Federal Employ-**  
10 **ment Assistance Programs**

11 **CHAPTER 1—CONSOLIDATION OF**  
12 **PROGRAMS**

13 **SEC. 111. CERTAIN COMMUNITY-BASED PROJECTS RE-**  
14 **GARDING HEALTH CARE FOR THE HOME-**  
15 **LESS; CONFORMING AMENDMENT REGARD-**  
16 **ING PUBLIC LAW 102-321.**

17 The Stewart B. McKinney Homeless Assistance Act  
18 (Public Law 100-77) is amended by striking section 612  
19 (relating to homeless individuals with chronic mental ill-  
20 ness).

21 **SEC. 112. CERTAIN EMPLOYMENT-RELATED PROGRAMS**  
22 **UNDER REHABILITATION ACT OF 1973.**

23 (a) SUPPORTED EMPLOYMENT FOR INDIVIDUALS  
24 WITH MOST SEVERE DISABILITIES.—Section 101(a) of  
25 the Rehabilitation Act of 1973 (29 U.S.C. 721(a)) is  
26 amended—

1           (1) in paragraph (5), by amending subpara-  
2           graph (B) to read as follows:

3           “(B) provide satisfactory assurances to the Commis-  
4           sioner that the State has studied and considered a broad  
5           variety of means for providing services to individuals with  
6           the most severe disabilities, including the provision of serv-  
7           ices leading to supported employment; and”; and

8           (2) by amending paragraph (25) to read as fol-  
9           lows:

10          “(25) provide assurances satisfactory to the Sec-  
11          retary that the State has an acceptable plan for developing  
12          a collaborative program with appropriate entities to pro-  
13          vide supported employment services for individuals with  
14          the most severe disabilities who require supported employ-  
15          ment services to enter or retain competitive employment;”.

16          (b) SPECIAL RECREATION ACTIVITIES AND SERV-  
17          ICES.—

18               (1) IN GENERAL.—Section 101(a)(12) of the  
19          Rehabilitation Act of 1973 (29 U.S.C. 721(a)(12))  
20          is amended—

21               (A) in subparagraph (A), by striking  
22               “and” after the semicolon at the end;

23               (B) in subparagraph (B), by adding “and”  
24               after the semicolon at the end; and

1 (C) by adding at the end the following sub-  
2 paragraph:

3 “(C) provide for entering into agreements with the  
4 operators of community rehabilitation programs or to  
5 make awards of grants or contracts to nonprofit private  
6 organizations, for the provision of special recreation activi-  
7 ties and services, that are, whenever possible, provided in  
8 settings with peers who are not individuals with disabil-  
9 ities;”.

10 (2) SCOPE OF SERVICES.—Section 103(a) of  
11 the Rehabilitation Act of 1973 (29 U.S.C. 723(a))  
12 is amended—

13 (A) in paragraph (15), by striking “and”  
14 after the semicolon at the end;

15 (B) in paragraph (16), by striking the pe-  
16 riod at the end and inserting “; and”; and

17 (C) by adding at the end the following  
18 paragraph:

19 “(17) special recreation activities and serv-  
20 ices.”.

21 (c) PROJECTS WITH INDUSTRY.—Section 101(a) of  
22 the Rehabilitation Act of 1973 (29 U.S.C. 721(a)) is  
23 amended—

24 (1) in paragraph (35), by striking “and” after  
25 the semicolon at the end;

1           (2) in paragraph (36), by striking the period at  
2           the end and inserting “; and”; and

3           (3) by adding at the end the following para-  
4           graph:

5           “(37) provide satisfactory assurances to the Commis-  
6           sioner that the State has awarded grants to individual em-  
7           ployers, community rehabilitation program providers,  
8           labor unions, trade associations, Indian tribes, tribal orga-  
9           nizations, designated States units, and other entities that  
10          are jointly financed to create and expand job and career  
11          opportunities for individuals with disabilities, which pro-  
12          vide training in realistic work settings, job placements, de-  
13          velopment and modification of jobs and career opportuni-  
14          ties, and distribution of rehabilitation technology, includ-  
15          ing necessary support services.”.

16          (d) DEFINITIONS.—Section 7 of the Rehabilitation  
17          Act of 1973 (29 U.S.C. 706) is amended by adding at  
18          the end the following paragraph:

19          “(36) The term ‘special recreation activities and serv-  
20          ices’ means activities and services that provide individuals  
21          with disabilities with recreational activities and related ex-  
22          periences to aid in the employment, mobility, socialization,  
23          independence, and community integration of such individ-  
24          uals. These may include, but are not limited to, vocational  
25          skills development, leisure education, leisure networking,

1 leisure resource development, physical education and  
2 sports, scouting and camping, 4-H activities, music, danc-  
3 ing, handicrafts, art, and homemaking.”.

4 (e) CONFORMING PROVISIONS.—

5 (1) REPEALS.—The Rehabilitation Act of 1973  
6 (29 U.S.C. 701 et seq.) is amended by striking the  
7 following provisions:

8 (A) Subsection (c) of section 311.

9 (B) Section 316.

10 (C) Parts B and C of title VI.

11 (2) FUNDING.—Section 100(b)(1) of the Reha-  
12 bilitation Act of 1973 (29 U.S.C. 720(b)(1)) is  
13 amended by adding at the end the following: “(For  
14 fiscal year 1996, in determining the amount to be  
15 appropriated under the preceding sentence, the  
16 amount appropriated for fiscal year 1995 under this  
17 subsection is deemed to be the sum of the aggregate  
18 amount appropriated for carrying out section 311(c),  
19 section 316, and parts B and C of title VI and the  
20 amount actually appropriated under this subsection  
21 for fiscal year 1994.)”.

22 (3) REDESIGNATIONS; CROSS-REFERENCES.—  
23 The Rehabilitation Act of 1973 (29 U.S.C. 701 et  
24 seq.) is amended—

1 (A) in section 101(a)(5)(A), by striking  
2 “including individuals served under part C of  
3 title VI of this Act”;

4 (B) in section 310, by striking “sections  
5 311(d), 311(e), 312, and 316” and inserting  
6 “sections 311(c), 311(d), and 312”;

7 (C) in section 311, by redesignating sub-  
8 sections (d) through (f) as subsections (c)  
9 through (e), respectively;

10 (D) in title VI, by redesignating part D as  
11 part B; and

12 (E) in section 802(j)—

13 (i) in paragraph (1), by striking  
14 “Consistent with” and all that follows  
15 through “the Commissioner may” and in-  
16 serting “The Commissioner may”; and

17 (ii) in paragraph (3)(B), by striking  
18 clause (ii) and redesignating clauses (iii)  
19 through (vi) as clauses (ii) through (v), re-  
20 spectively.



1       **CHAPTER 2—REPEAL OF PROGRAMS**

2       **SEC. 121. HIGHER EDUCATION FOR STUDENTS FROM MI-**  
3                   **GRANT AND SEASONAL FARMWORKER FAMI-**  
4                   **LIES.**

5       Subpart 5 of part A of title IV of the Higher Edu-  
6 cation Act of 1965 (20 U.S.C. 1070d-2) is repealed.

7       **SEC. 122. CERTAIN VETERANS PROGRAMS.**

8       (a) DISABLED VETERANS OUTREACH PROGRAM AND  
9 LOCAL VETERANS EMPLOYMENT REPRESENTATIVE PRO-  
10 GRAM.—Sections 4103A, 4104, and 4104A of title 38,  
11 United States Code, are repealed.

12       (b) HOMELESS VETERANS REINTEGRATION  
13 PROJECT.—Section 738 of Public Law 100-77 (42 U.S.C.  
14 11448) is repealed.

15       (c) CONFORMING AMENDMENTS.—(1) Section  
16 3117(a)(2) of title 38, United States Code, is amended—

17               (A) by striking subparagraph (B) and redesign-  
18 nating subparagraph (C) as subparagraph (B); and

19               (B) by inserting “and” after the semicolon at  
20 the end of subparagraph (A).

21       (2) Section 3672(d) of title 38, United States Code,  
22 is amended by striking “and shall utilize” and all that fol-  
23 lows through the end thereof and inserting in lieu thereof  
24 a period.

1       (3) Section 4102A(b) of title 38, United States Code,  
2 is amended—

3           (A) by inserting “and” at the end of paragraph  
4       (4);

5           (B) by striking paragraphs (5) and (7) of sub-  
6       section (b);

7           (C) by redesignating paragraph (6) as para-  
8       graph (5) and in that paragraph by striking “; and”  
9       and inserting a period; and

10          (D) by striking subsection (c).

11       (4) Section 4106(a) of title 38, United States Code,  
12 is amended—

13           (A) in the fifth sentence—

14               (i) by striking “in all of the States for the  
15               purposes specified in paragraph (5) of section  
16               4102A(b) of this title and”; and

17               (ii) by striking “sections.” and inserting  
18               “section.”; and

19           (B) in the sixth sentence, by striking “and of  
20       the proposed numbers, by State, of disabled veter-  
21       ans’ outreach program specialists appointed under  
22       section 4103A of this title and local veterans’ em-  
23       ployment representatives assigned under section  
24       4104 of this title,”.

1       (5) Section 4107(c) of title 38, United States Code,  
2 is amended—

3           (A) by inserting “and” at the end of paragraph  
4       (3);

5           (B) by striking paragraph (4);

6           (C) by redesignating paragraph (5) as para-  
7 graph (4) and in that paragraph—

8               (i) by striking “including an evaluation of  
9       the effectiveness of such programs during such  
10      program year in meeting the requirements of  
11      section 4102A(b) of this title,”; and

12              (ii) by striking “(including” and all that  
13      follows through “representatives)”.

14       (6) Section 739(b) of Public Law 100–77 (42 U.S.C.  
15 11449) is amended by striking “other than section 738  
16 and for the program under section 738”.

17       (7) The table of sections for chapter 41 of title 38,  
18 United States Code, is amended by striking the items re-  
19 lating to sections 4103A, 4104, and 4104A.

1 **SEC. 123. FOSTER GRANDPARENT AND SENIOR COMPANION**  
2 **PROGRAMS, PROGRAMS UNDER FOOD STAMP**  
3 **ACT OF 1977, AND PROGRAMS UNDER OLDER**  
4 **AMERICANS ACT OF 1965.**

5 (a) FOSTER GRANDPARENT AND SENIOR COMPANION  
6 PROGRAMS.—The Domestic Volunteer Service Act (42  
7 U.S.C. 4950 et seq.) is amended—

8 (1) in section 200—

9 (A) in paragraph (1) by inserting “and” at  
10 the end,

11 (B) in paragraph (2) by striking the semi-  
12 colon at the end and inserting a period, and

13 (C) by striking paragraphs (3) and (4),

14 (2) in title II—

15 (A) by striking parts B and C, and

16 (B) in part D—

17 (i) by redesignating such part as part  
18 B,

19 (ii) in sections 221 and 225 by strik-  
20 ing “parts A, B, and C” each place it ap-  
21 pears and inserting “part A”, and

22 (iii) by redesignating part E as part  
23 C,

24 (3) in section 416(f)(2) by striking “parts (B)  
25 and” and inserting “part”,

26 (4) in section 421—

1 (A) by striking paragraphs (9), (10), (17),  
2 and (18), and

3 (B) in paragraph (14) by striking “(B),  
4 (C), and (E)” and inserting “and (C)”,  
5 (5) in section 502—

6 (A) by striking subsections (b) and (c),  
7 and

8 (B) in subsection (d)—

9 (i) by striking “part E” and inserting  
10 “part C”, and

11 (ii) by redesignating such subsection  
12 as subsection (c), and

13 (6) in section 503(d) by striking “part E” and  
14 inserting “part C”.

15 (b) AMENDMENTS TO THE FOOD STAMP ACT OF  
16 1977.—(1) Section 6(d) of the Food Stamp Act of 1977  
17 (7 U.S.C. 2015(d)) is amended by striking paragraph (4).

18 (2) The Food Stamp Act of 1977 (7 U.S.C. 2011  
19 et seq.) is amended—

20 (A) in section 5—

21 (i) in subsection (d)(15) by striking “(15)”  
22 and all that follows through “(16)”, and insert-  
23 ing “and (15)”, and

24 (ii) in the 4th sentence of subsection (e)—

1 (I) by striking “party, amounts” and  
2 inserting “party and amounts”, and

3 (II) by striking “and expenses that  
4 are paid under section 6(d)(4)(I) for de-  
5 pendent care,”,

6 (B) in section 6—

7 (i) in the 1st sentence of subsection (d)(1)  
8 by striking “(ii)” and all that follows through  
9 “(iii)”, and inserting “and (ii)”, and

10 (ii) in subsection (e) by amending para-  
11 graph (5) to read as follows:

12 “(5) is a parent with responsibility for the care  
13 of a dependent child under age 6;”,

14 (C) in section 11(e)—

15 (i) by striking paragraph (22), and

16 (ii) by redesignating paragraphs (23)  
17 through (25) as paragraphs (22) through (24),  
18 respectively,

19 (D) in section 16—

20 (i) by striking subsection (h), and

21 (ii) by redesignating subsections (i) and (j)  
22 as subsections (h) and (i), respectively,

23 (E) in section 21(b)(4) by amending subpara-  
24 graph (B) to read as follows:

“(B) the portion of the administrative costs for which the State would have received reimbursement under subsections (a) and (g) of section 16 (without regard to the first proviso to such subsection (g)) if the individuals who participated in the Project had participated instead in the food stamp program;”, and (F) in section 22(b)—

(i) by striking paragraph (4), and

(ii) by redesignating succeeding paragraphs, and references to such paragraphs, accordingly.

(c) AMENDMENT TO THE OLDER AMERICANS ACT OF 1965.—Title V of the Older Americans Act of 1965 (42 U.S.C. 3056–3056i) is repealed.

**SEC. 124. JOB TRAINING PARTNERSHIP ACT.**

(a) IN GENERAL.—The Job Training Partnership Act (29 U.S.C. 1501 et seq.), except sections 421 through 439 of such Act (29 U.S.C. 1691 et seq.) (relating to the Job Corps), is hereby repealed.

(b) CONFORMING AMENDMENTS TO JOB CORPS.—The Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended—

(1) by redesignating sections 421 through 439 as sections 1 through 20, respectively;

1           (2) in section 1 (as redesignated), by striking  
2           “part” each place it appears and inserting “Act”;

3           (3) in section 3(4) (as redesignated), by strik-  
4           ing “sections 424 and 425” and inserting “sections  
5           4 and 5”;

6           (4) in section 4 (as redesignated)—

7                 (A) in subsection (a), by striking “entities  
8                 administering programs under title II of this  
9                 Act,”; and

10                (B) in subsection (b), by striking “part”  
11                and inserting “Act”;

12           (5) in section 6 (as redesignated)—

13                 (A) in subsection (a), by striking “section  
14                 428” and inserting “section 8”; and

15                 (B) by striking subsection (d);

16           (6) in section 7 (as redesignated)—

17                 (A) by striking subsection (b); and

18                 (B) by redesignating subsection (c) as sub-  
19                 section (b);

20           (7) in section 13 (as redesignated)—

21                 (A) in subsection (a)(4), by striking “part”  
22                 and inserting “Act”;

23                 (B) in subsection (c)(1), by striking “and  
24                 activities authorized under sections 452 and  
25                 453”; and



1 (C) in subsection (e), by striking “section  
2 431” and inserting “section 11”;  
3 (8) in section 14 (as redesignated)—  
4 (A) in subsection (a)—  
5 (i) in the matter preceding paragraph  
6 (1), by striking “section 427” and insert-  
7 ing “section 7”; and  
8 (ii) in paragraph 4(A), by striking  
9 “section 428” and inserting “section 8”;  
10 (B) in subsection (c)(3), by striking “sec-  
11 tion 423” and inserting “section 3”;  
12 (C) in subsection (d), by striking “sections  
13 424 and 425” and inserting “sections 4 and 5”;  
14 and  
15 (D) in subsection (e), by striking “, pursu-  
16 ant to section 452(d),”;  
17 (9) in section 16 (as redesignated), by striking  
18 “part” each place it appears and inserting “Act”;  
19 (10) in section 19 (as redesignated), by striking  
20 “part” each place it appears and inserting “Act”;  
21 (11) in section 20 (as redesignated), by striking  
22 “part” and inserting “Act”; and  
23 (12) by adding at the end the following new  
24 section:

1 **“SEC. 21. AUTHORIZATION OF APPROPRIATIONS.**

2 “There are authorized to be appropriated to carry out  
3 this Act—

4 “(1) \$1,098,000,000 for fiscal year 1997;

5 “(2) \$1,128,000,000 for fiscal year 1998;

6 “(3) \$1,158,000,000 for fiscal year 1999;

7 “(4) \$1,189,000,000 for fiscal year 2000; and

8 “(5) \$1,221,000,000 for fiscal year 2001.”.

9 **SEC. 125. APPALACHIAN VOCATIONAL AND OTHER EDU-**  
10 **CATION FACILITIES AND OPERATIONS PRO-**  
11 **GRAM.**

12 Section 211 of the Appalachian Regional Develop-  
13 ment Act of 1965 (40 U.S.C. App. 211) is repealed.

14 **SEC. 126. TARGETED JOBS CREDIT.**

15 (a) IN GENERAL.—Part IV of subchapter A of chap-  
16 ter 1 of the Internal Revenue Code of 1986 is amended  
17 by striking subpart F (relating to rules for computing tar-  
18 geted jobs credit).

19 (b) TECHNICAL AMENDMENTS.—

20 (1) Subsection (b) of section 38 of such Code  
21 is amended by striking paragraph (2) and by redes-  
22 ignating the succeeding paragraphs accordingly.

23 (2) The table of subparts for part IV of sub-  
24 chapter A of chapter 1 of such Code is amended by  
25 striking the item relating to subpart F.

1 **SEC. 127. JOBS PROGRAM.**

2 (a) IN GENERAL.—

3 (1) Section 402(a) of the Social Security Act  
4 (42 U.S.C. 602(a)) is amended by striking para-  
5 graph (19).

6 (2) Section 403 of such Act (42 U.S.C. 603) is  
7 amended by striking subsections (k) and (l), except  
8 that subparagraph (A) of such section 403(l)(3)  
9 shall remain in effect for purposes of applying any  
10 reduction in payment rates required by such sub-  
11 paragraph for any of the fiscal years specified in  
12 such subparagraph.

13 (3) Part F of title IV of such Act is hereby re-  
14 pealed.

15 (b) CONFORMING AMENDMENTS.—

16 (1) Section 402(a)(9)(A) of such Act (42  
17 U.S.C. 602(a)(9)(A)) is amended by striking “(in-  
18 cluding activities under part F)”.

19 (2) Section 402(a)(44)(A) of such Act (42  
20 U.S.C. 602(a)(44)(A)) is amended by striking “,  
21 part D, and part F” and inserting “and part D”.

22 (3) Section 402(g)(1)(A)(i) of such Act (42  
23 U.S.C. 602(g)(1)(A)(i)) is amended by striking  
24 “—” and all that follows and inserting “for each  
25 family with a dependent child requiring such care, to  
26 the extent that such care is determined by the State

1 agency to be necessary for an individual in the fam-  
2 ily to accept employment or remain employed.”.

3 (4) Section 402(g) of such Act (42 U.S.C.  
4 602(g)) is amended by striking paragraph (2).

5 (5) Section 407(b)(1)(B) of such Act (42  
6 U.S.C. 607(b)(1)(B)) is amended—

7 (A) by striking clauses (i) and (v) and re-  
8 designating clauses (ii), (iii), and (iv) as clauses  
9 (i), (ii), and (iii), respectively;

10 (B) by adding “and” at the end of clause  
11 (ii) (as so redesignated); and

12 (C) by striking “; and” at the end of  
13 clause (iii) (as so redesignated) and inserting a  
14 period.

15 (6) Section 407(b)(2)(B)(ii)(I) of such Act (42  
16 U.S.C. 607(b)(2)(B)(ii)(I)) is amended by striking  
17 “(including any activity authorized under section  
18 402(a)(19) or under part F)”.

19 (7) Section 407(b)(2) of such Act (42 U.S.C.  
20 607(b)(2)) is amended by striking subparagraph  
21 (C).

22 (8) Section 407(c) of such Act (42 U.S.C.  
23 607(c)) is amended—

24 (A) by striking “(A) where” and inserting  
25 “where”; and

1 (B) by striking “, and (B)” and all that  
2 follows through “part F”.

3 (9) Section 407(d)(1)(A) of such Act (42  
4 U.S.C. 607(d)(1)(A)) is amended by striking “, or in  
5 which such individual participated in a program  
6 under part F”.

7 (10) Section 407(e) of such Act (42 U.S.C.  
8 607(e)) is amended—

9 (A) in paragraph (1)—

10 (i) by striking “in participating in a  
11 program under part F and”; and

12 (ii) by striking “participate in or”;  
13 and

14 (B) in paragraph (2), by striking “both  
15 part F and”.

16 (11) Section 417 of such Act (42 U.S.C. 617)  
17 is amended by striking “, part D, and part F” and  
18 inserting “and part D”.

19 (12) Section 471(a)(8)(A) of such Act (42  
20 U.S.C. 671(a)(8)(A)) is amended by striking “(in-  
21 cluding activities under part F)”.

22 (13) Section 1115(b)(2)(A) of such Act (42  
23 U.S.C. 1315(b)(2)(A)) is amended by striking “, and  
24 402(a)(19) (relating to the work incentive pro-  
25 gram)”.

1           (14) Section 1108 of such Act (42 U.S.C.  
2   1308) is amended—

3           (A) in subsection (a), by striking “or, in  
4   the case of part A of title IV, section 403(k)”;  
5   and

6           (B) in subsection (d), by striking “(exclu-  
7   sive of any amounts on account of services and  
8   items to which, in the case of part A of such  
9   title, section 403(k) applies)”.  
10

11          (15) Section 1902(a)(10)(A)(i)(I) of such Act  
12   (42 U.S.C. 1396a(a)(19)(A)(i)(I)) is amended by  
13   striking “, or considered by the State to be receiving  
14   such aid as authorized by section 482(e)(6)”.  
15

16          (16) Section 1928(a)(1) of such Act (42 U.S.C.  
17   1396s(a)(1)) is amended by striking subparagraph  
18   (D).  
19

20          (17) Section 51(c)(2) of the Internal Revenue  
21   Code of 1986 is amended by striking subparagraph  
22   (B).  
23

24   **SEC. 128. SERVICE MEMBERS OCCUPATIONAL CONVERSION**  
25   **AND TRAINING ACT OF 1992.**

26   The Service Members Occupational Conversion and  
27   Training Act of 1992 (10 U.S.C. 1143 note) is repealed.

1 **SEC. 129. ADULT EDUCATION PROGRAMS.**

2 The Adult Education Act (20 U.S.C. 1201 et seq.)  
3 is repealed.

4 **SEC. 130. VOCATIONAL EDUCATION PROGRAMS.**

5 The Carl D. Perkins Vocational and Applied Tech-  
6 nology Education Act (20 U.S.C. 2301 et seq.) is repealed.

7 **SEC. 131. NATIONAL LITERACY PROGRAMS.**

8 The National Literacy Act of 1991 (20 U.S.C. 1211–  
9 2) is repealed.

10 **SEC. 132. INDIAN EMPLOYMENT, TRAINING AND RELATED**  
11 **SERVICES DEMONSTRATION PROGRAM.**

12 The Indian Employment, Training and Related Serv-  
13 ices Demonstration Act of 1992 (25 U.S.C. 3401 et seq.)  
14 is repealed.

15 **SEC. 133. SPECIAL PROVISIONS RELATING TO INDIAN**  
16 **TRIBES.**

17 Subsection (i) of section 682 of the Social Security  
18 Act (42 U.S.C. 682(i)) is repealed.

19 **SEC. 134. LITERACY CORPS.**

20 Section 109 of the Domestic Volunteer Service Act  
21 of 1973 (42 U.S.C. 4959) is repealed.

22 **SEC. 135. MISCELLANEOUS REPEALERS.**

23 The following provisions of law are hereby repealed:

24 (1) The Act of June 6, 1933 (29 U.S.C. 49 et  
25 seq.; commonly referred to as the “Wagner-Peyser  
26 Act”).

1           (2) Subtitle A of title VII of Stewart B. McKin-  
2       ney Homeless Assistance Act (42 U.S.C. 11421 et  
3       seq.).

4           (3) Subtitle C of title VII of Stewart B. McKin-  
5       ney Homeless Assistance Act (42 U.S.C. 11441 et  
6       seq.).

7           (4) Chapter 2 of title II of the Trade Act of  
8       1974 (19 U.S.C. 2271 and following) and the items  
9       relating to such chapter in the table of contents of  
10      such Act.

11          (5) Section 402 of the Homeownership and Op-  
12      portunity Through HOPE Act (42 U.S.C. 12870).

13          (6) Section 204 of the Immigration Reform and  
14      Control Act of 1986 (8 U.S.C. 1255a note).

## 15           **Subtitle C—Effective Dates**

### 16      **SEC. 141. EFFECTIVE DATES.**

17          (a) SUBTITLE A.—Subtitle A shall take effect on the  
18      first day of the first fiscal year beginning after the date  
19      of the enactment of this Act.

20          (b) SUBTITLE B.—Subtitle B and the amendments  
21      made by subtitle B shall take effect 180 days after the  
22      first day of the fiscal year described in subsection (a).



1 **TITLE II—NOTICE OF AVAILABIL-**  
2 **ITY OF EARNED INCOME**  
3 **CREDIT**

4 **SEC. 201. NOTICE OF AVAILABILITY REQUIRED TO BE PRO-**  
5 **VIDED TO APPLICANTS AND FORMER RECIPI-**  
6 **ENTS OF AFDC, FOOD STAMPS, AND MEDIC-**  
7 **AID.**

8 (a) AFDC.—Section 402(a) of the Social Security  
9 Act (42 U.S.C. 602(a)) is amended—

10 (1) by striking “and” at the end of paragraph  
11 (44);

12 (2) by striking the period at the end of para-  
13 graph (45) and inserting “; and”; and

14 (3) by inserting after paragraph (45) the fol-  
15 lowing:

16 “(46) provide that the State agency must pro-  
17 vide written notice of the existence and availability  
18 of the earned income credit under section 32 of the  
19 Internal Revenue Code of 1986 to—

20 “(A) any individual who applies for aid  
21 under the State plan, upon receipt of the appli-  
22 cation; and

23 “(B) any individual whose aid under the  
24 State plan is terminated, in the notice of termi-  
25 nation of benefits.”.

1       (b) FOOD STAMPS.—Section 11(e) of the Food  
2 Stamp Act of 1977 (7 U.S.C. 2020(e)) is amended—

3           (1) in paragraph (24) by striking “and” at the  
4 end;

5           (2) in paragraph (25) by striking the period at  
6 the end and inserting “; and”; and

7           (3) by inserting after paragraph (25) the fol-  
8 lowing:

9           “(26) that whenever a household applies for  
10 food stamp benefits, and whenever such benefits are  
11 terminated with respect to a household, the State  
12 agency shall provide to each member of such house-  
13 hold notice of—

14               “(A) the existence of the earned income  
15 tax credit under section 32 of the Internal Rev-  
16 enue Code of 1986; and

17               “(B) the fact that such credit may be ap-  
18 plicable to such member.”.

19       (c) MEDICAID.—Section 1902(a) of the Social Secu-  
20 rity Act (42 U.S.C. 1396a(a)) is amended—

21           (1) by striking “and” at the end of paragraph  
22 (61);

23           (2) by striking the period at the end of para-  
24 graph (62) and inserting “; and”; and

1           (3) by adding at the end the following new  
2 paragraph:

3           “(63) provide that the State shall provide notice  
4 of the existence and availability of the earned income  
5 tax credit under section 32 of the Internal Revenue  
6 Code of 1986 to each individual applying for medical  
7 assistance under the State plan and to each individ-  
8 ual whose eligibility for medical assistance under the  
9 State plan is terminated.”.

10 **SEC. 202. NOTICE OF AVAILABILITY OF EARNED INCOME**  
11 **TAX CREDIT AND DEPENDENT CARE TAX**  
12 **CREDIT TO BE INCLUDED ON W-4 FORM.**

13       Section 11114 of the Omnibus Budget Reconciliation  
14 Act of 1990 (relating to program to increase public aware-  
15 ness) is amended by adding at the end the following new  
16 sentence: “Such means shall include printing a notice of  
17 the availability of such credits on the forms used by em-  
18 ployees to determine the proper number of withholding ex-  
19 emptions under chapter 24 of the Internal Revenue Code  
20 of 1986.”.

1                   **TITLE III—REPEAL OF**  
2                   **TEMPORARY FUTA SURTAX**

3   **SEC. 301. REPEAL OF TEMPORARY FUTA SURTAX.**

4           (a) GENERAL RULE.—Section 3301 of the Internal  
5 Revenue Code of 1986 (relating to rate of tax) is amended  
6 to read as follows:

7   **“SEC. 3301. RATE OF TAX.**

8           “There is hereby imposed on every employer (as de-  
9 fined in section 3306(a)) for each calendar year an excise  
10 tax, with respect to having individuals in his employ, equal  
11 to 6.0 percent of the total wages (as defined in section  
12 3306(b)) paid by him during the calendar year with re-  
13 spect to employment (as defined in section 3306(c)).”

14          (b) EFFECTIVE DATE.—The amendment made by  
15 subsection (a) shall apply to calendar year 1996 and sub-  
16 sequent calendar years.

○